



Reprinted
February 5, 2002

HOUSE BILL No. 1354

DIGEST OF HB 1354 (Updated February 4, 2002 6:20 PM - DI 103)

Citations Affected: IC 8-1; noncode.

Synopsis: Basic local exchange service. Requires a telecommunications provider that provides local exchange service to provide basic local exchange service to all residential customers in the boundary areas in which it offers telecommunications service. Provides that a telecommunications provider has up to five years to acquire a customer base of at least 25% residential customers.

Effective: July 1, 2002.

Mahern

January 15, 2002, read first time and referred to Committee on Commerce, Economic Development and Technology.
January 30, 2002, reported — Do Pass.
February 4, 2002, read second time, amended, ordered engrossed.

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HB 1354—LS 7040/DI 103+



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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

HOUSE BILL No. 1354

A BILL FOR AN ACT to amend the Indiana Code concerning
utilities and transportation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-1-2-88.1 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2002]: **Sec. 88.1. (a) As used in this section, "basic local exchange**
4 **service" includes the provision of switched telecommunications**
5 **service carrying calls originating from and terminating in a local**
6 **calling area.**
7 **(b) As used in this section, "telecommunications provider" has**
8 **the meaning set forth in IC 8-1-29-3. The term includes a telephone**
9 **company (as defined in IC 8-1-2-88).**
10 **(c) As used in this section, "telecommunications service" has the**
11 **meaning set forth in IC 8-1-29-4.**
12 **(d) As used in this section, "telephone service" has the meaning**
13 **set forth in IC 8-1-2-88. The term includes basic local exchange**
14 **service.**
15 **(e) Notwithstanding any other law, a telecommunications**
16 **provider that provides local exchange service may not provide**
17 **telecommunications service unless the telecommunications**

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provider offers basic local exchange service to residential customers in all telephone exchange boundary areas in which the telecommunications provider offers telecommunications service. For purposes of this subsection, a telecommunications provider offers basic local exchange service to residential customers in a telephone exchange boundary area in which the telecommunications provider offers telecommunications service if:

(1) not more than one (1) year after offering telecommunications service in a telephone exchange boundary area, the telecommunications provider advertises in a news reporting medium of general circulation the availability of and charges for basic local exchange service to residential customers in a telephone exchange boundary area; and

(2) the telecommunications provider:

(A) in each telephone exchange boundary area provides basic local exchange service to at least ten (10) residential customers who are not employees or agents of the telecommunications provider; or

(B) has a customer base in each telephone exchange boundary area:

(i) not more than one (1) year after offering telecommunications service in a telephone exchange boundary area, at least five percent (5%);

(ii) not more than two (2) years after offering telecommunications service in a telephone exchange boundary area, at least ten percent (10%);

(iii) not more than three (3) years after offering telecommunications service in a telephone exchange boundary area, at least fifteen percent (15%);

(iv) not more than four (4) years after offering telecommunications service in a telephone exchange boundary area, at least twenty percent (20%); and

(v) not more than five (5) years after offering telecommunications service in a telephone exchange boundary area, at least twenty-five percent (25%);

of which is comprised of residential customers;

whichever results in the offering or provision of telecommunications service to the greater number of residential customers.

SECTION 2. [EFFECTIVE JULY 1, 2002] (a) A telecommunications provider that:

(1) provides local exchange service; and



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1 (2) holds a certificate of territorial authority that was granted
2 before January 20, 2002;
3 shall comply with IC 8-1-2-88.1(e), as added by this act, before:
4 (1) July 1, 2003, if the telecommunications provider has a
5 customer base in each telephone exchange boundary area in
6 which the telecommunications provider offers
7 telecommunications service of at least twenty-five percent
8 (25%);
9 (2) July 1, 2004, if the telecommunications provider has a
10 customer base in each telephone exchange boundary area in
11 which the telecommunications provider offers
12 telecommunications service of at least twenty percent (20%);
13 (3) July 1, 2005, if the telecommunications provider has a
14 customer base in each telephone exchange boundary area in
15 which the telecommunications provider offers
16 telecommunications service of at least fifteen percent (15%);
17 (4) July 1, 2006, if the telecommunications provider has a
18 customer base in each telephone exchange boundary area in
19 which the telecommunications provider offers
20 telecommunications service of at least ten percent (10%); or
21 (5) July 1, 2007, if the telecommunications provider has a
22 customer base in each telephone exchange boundary area in
23 which the telecommunications provider offers
24 telecommunications service of at least five percent (5%);
25 of which is comprised of residential customers.
26 (b) This SECTION expires July 2, 2007.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic Development and Technology, to which was referred House Bill 1354, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

FRY, Chair

Committee Vote: yeas 7, nays 6.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1354 be amended to read as follows:

Page 2, line 6, delete "if," and insert "**if:**".

Page 2, delete lines 7 through 8.

Page 2, line 9, after "(1)" insert "**not more than one (1) year after offering telecommunications service in a telephone exchange boundary area,**".

Page 2, line 19, delete "area at least twenty-five percent (25%)" and insert "**area:**

- (i) **not more than one (1) year after offering telecommunications service in a telephone exchange boundary area, at least five percent (5%);**
- (ii) **not more than two (2) years after offering telecommunications service in a telephone exchange boundary area, at least ten percent (10%);**
- (iii) **not more than three (3) years after offering telecommunications service in a telephone exchange boundary area, at least fifteen percent (15%);**
- (iv) **not more than four (4) years after offering telecommunications service in a telephone exchange boundary area, at least twenty percent (20%); and**
- (v) **not more than five (5) years after offering telecommunications service in a telephone exchange boundary area, at least twenty-five percent (25%);".**

Page 2, line 19, begin a new line double block indented beginning with "of".

Page 2, line 27, delete "before July 2, 2003." and insert "**before:**

- (1) July 1, 2003, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least twenty-five percent (25%);**
- (2) July 1, 2004, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least twenty percent (20%);**
- (3) July 1, 2005, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least fifteen percent (15%);**
- (4) July 1, 2006, if the telecommunications provider has a**



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customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least ten percent (10%); or (5) July 1, 2007, if the telecommunications provider has a customer base in each telephone exchange boundary area in which the telecommunications provider offers telecommunications service of at least five percent (5%); of which is comprised of residential customers."

Page 2, line 28, delete "2003." and insert "**2007.**".

(Reference is to HB 1354 as printed January 31, 2002).

MAHERN

HOUSE MOTION

Mr. Speaker: I move that House Bill 1354 be amended to read as follows:

Page 1, line 16, after "provider", insert "**that provides local exchange service**".

Page 2, delete lines 25 through 26 and insert "**telecommunications provider that:**

(1) provides local exchange service; and

(2) holds a certificate of territorial authority that was granted before January 20, 2002;

shall comply".

(Reference is to HB 1354 as printed January 31, 2002.)

LUTZ J

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